CLAIMS

I claim:

1. A method for prepayment of mortgage having an associated fixed interest rate, such method comprising the step of comparing said fixed interest rate with a time-varying market interest rate, and the step of computing an acceptable amount of loan payoff dependently on the difference between said market interest rate and said fixed interest rate, whereby a payoff amount is smaller than the principal balance of the loan, the difference between loan balance and payoff amount comprising a loan discount that is offered to the borrower.

2. A method of claim 1 where the borrower prepays full or partial principal amount of debt at a discount, directly to the lender that holds the mortgage obligation.

3. A method of claim 1 where the third party acquires a mortgage loan from the current lender at the price prevailing in the secondary market for such loans, and then offers the borrower to prepay, in part or in full, principal amount of loan at a discount.

4. A method of claim 1 where the third party acquires the portfolio of mortgage loans which display a statistically meaningful tendency of borrowers to prepay their loans, and then seeks out those borrowers willing to prepay, in part or in full, principal amount of loan at a discount.

5. A method for prepayment of mortgage having an associated fixed interest rate or an associated adjustable interest rate and a rate adjustment schedule such method comprising the step of comparing the outstanding balance of the loan with the time-varying value that the loan obligation would fetch in the secondary market, and the step of computing an acceptable amount of loan payoff dependently on the difference between said principal balance and said price, whereby a payoff amount is smaller than the principal balance of the loan, the difference between loan balance and payoff amount comprising a loan discount that is offered to the borrower.

6. A method of claim 5 where the borrower prepays the principal amount of debt, in full or in part, directly to the lender that holds the mortgage obligation.

7. A method of claim 5 where the third party acquires a mortgage loan from the current lender at the price prevailing in the secondary market for such loans, and then offers the borrower to prepay, in part or in full, principal amount of loan at a discount.

8. A method of claim 5 where the third party acquires the portfolio of mortgage loans which display a statistically meaningful tendency of borrowers to prepay their loans, and then seeks out those borrowers willing to prepay, in part or in full, principal amount of loan at a discount.